

EX PARTE OR LATE FILED



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January 27, 1997

RECEIVED

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**FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY**

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, DC 20554

re: Ex Parte Discussion: CC Docket No. 96-61, Policy and Rules Concerning the
Interstate, Interexchange Marketplace

Dear Mr. Caton:

Today Sal Talluto, Steve Haas and I, representing AT&T, met with Jordan Goldstein, Christopher Heimann, Susan Launer, Judy Nitsche, RL Smith, and Don Stockdale of the Common Carrier Bureau and Kerry Murray of the International Bureau to discuss AT&T's Petition for Reconsideration in the above-captioned docket. The attached material was used during the meeting.

Two copies of this Notice are being submitted to the Secretary of the FCC in accordance with Section 1.1206(a)(1) of the Commission's rules.

Sincerely,

A handwritten signature in black ink, appearing to read "E. E. Estey".

attachment

copy (without attachment) to:

Jordan Goldstein
Susan Launer
RL Smith
Kerry Murray

Christopher Heimann
Judy Nitsche
Don Stockdale

No. of Copies rec'd
List ABCDE

042

AT&T Petition for Reconsideration

1. Permit tariffs for Casual Calling and the First 45 days of service

No opportunity to establish the binding arrangement before customer uses service

Meet customers' expectations for service without advance payment or delay

Protect carriers' commercial expectations without adversely affecting customers

2. Apply like treatment to both components of mixed offerings

Significant customer confusion/concern about continuity of their deal

Permit detariffing of international component, or,

Extend 9 month transition to mixed arrangements (permit tariffing)

3. Clarify Interstate law applies to interstate Telecom services

Apply same treatment to both components of mixed offerings

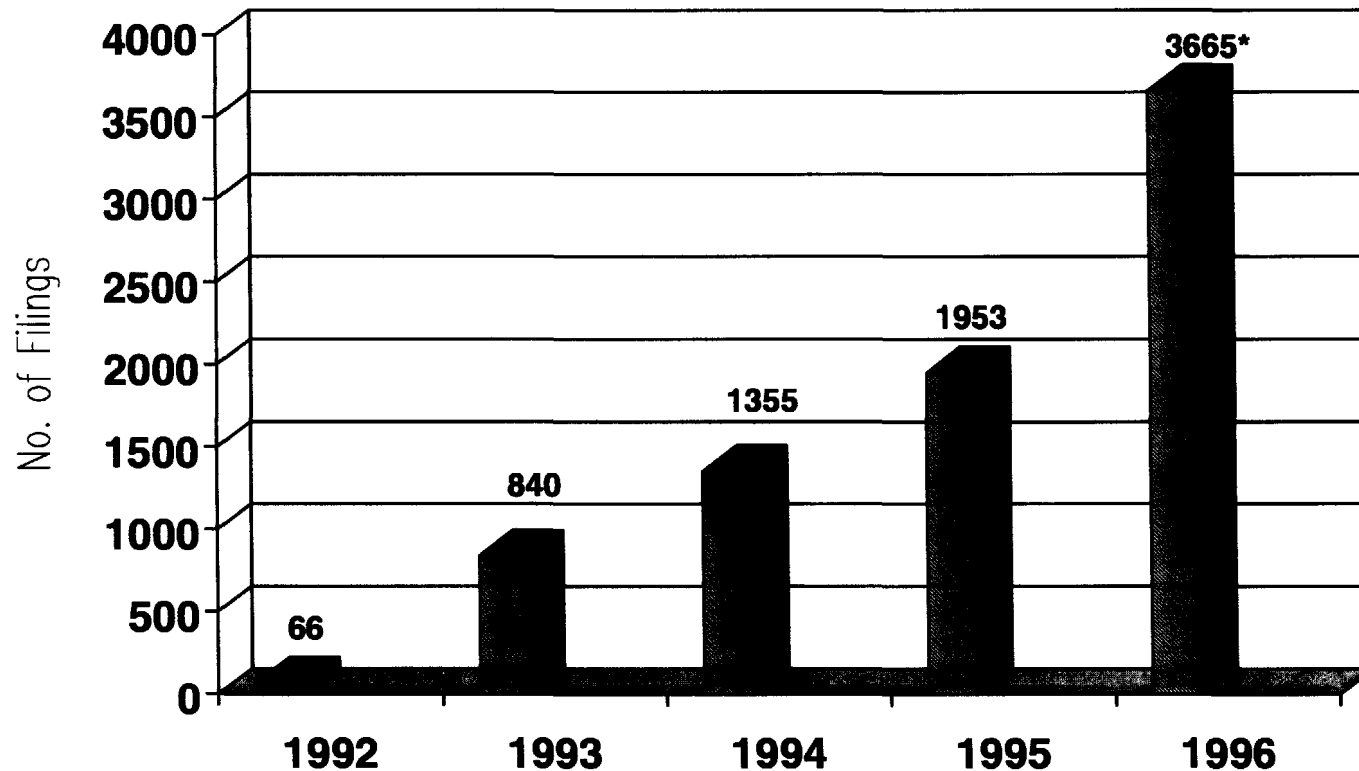
Detariffing of mixed offerings was requested in petitions for reconsideration by customers. No customer took a contrary position.

“Corporate users of telecommunications would like to include international services in commercially enforceable agreements that are detariffed. ... The current situation, with only domestic services detariffed, complicates large customer negotiations with carriers Given the level of disruption created by this situation, the SDN Users Association urges the Commission to reconsider ... and promptly detariff these combined offerings.” [SDN User’s Group, December 20, 1996]

Tariffing for large users is not necessary to ensure just and reasonable rates, and is not necessary to protect consumers; detariffing is in the public interest. ... The Commission’s decision to retain tariffing for bundled international offerings is inconsistent with its recognition that a detariffed environment is likely to spur carrier responsiveness and improved opportunities for consumers... [API, December 23, 1996]

AT&T Contract Tariff Filings

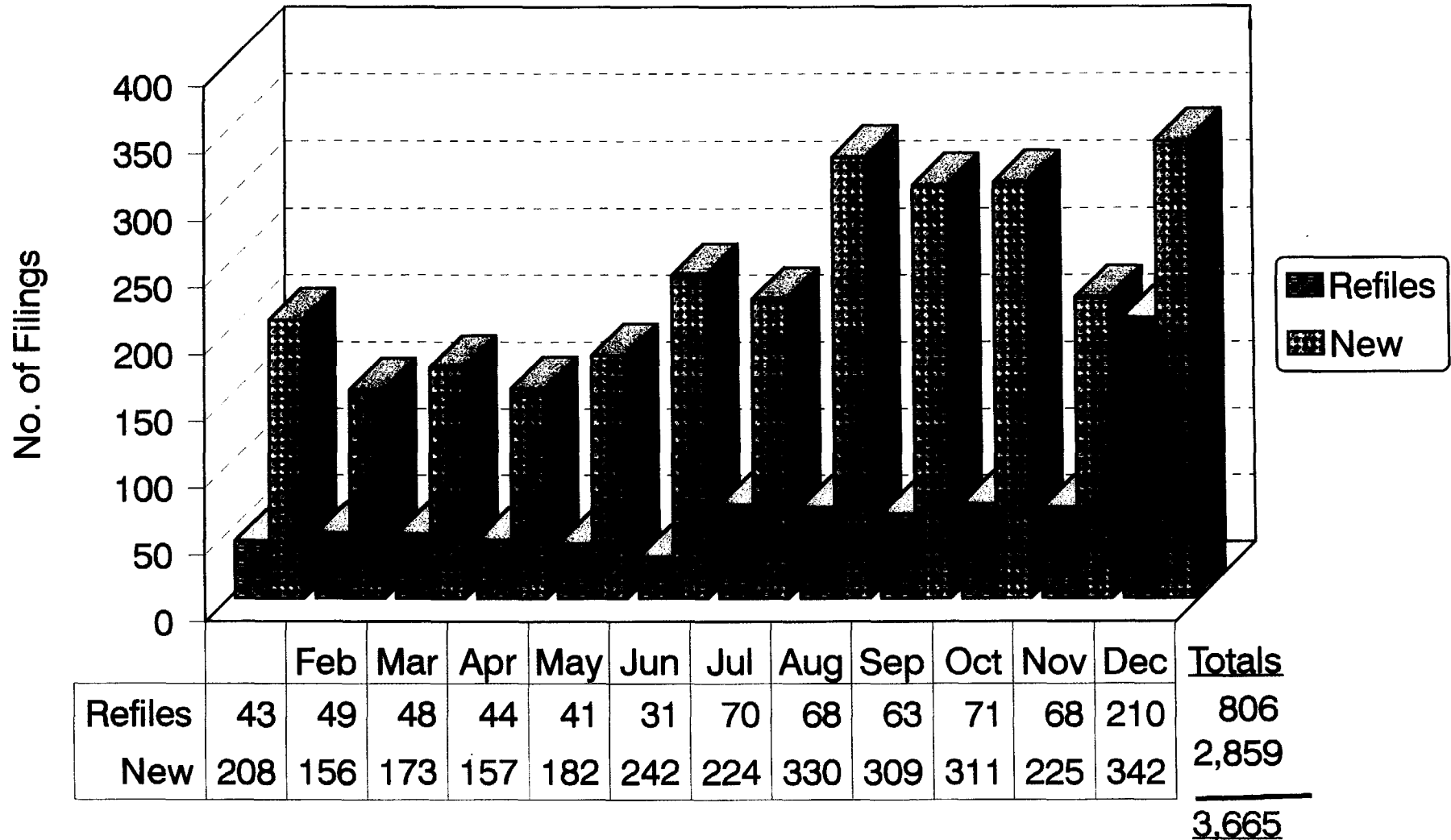
1992 to 1996 (YTD)



* 1996 data does not include 1,206 refiles made in association with the Across-the-Board filings

Contract Tariff Filings

1996



Data as of December 31, 1996; Does not include 1,206 refilings made in association with the ATB filings in Feb., June & November

Sources of Customer Concern and Confusion

AT&T has over 6,300 existing CTs on file

Previous situation permitted simple modification to tariff page for a customer-agreed-upon change to the deal

Now it requires a complete refile, separating the domestic from international portion of the deal

Customers are concerned that the deal remains the same

Extra work and delay required of customers and carriers to separate these arrangements provides no benefit to either

In order to comply with the FCC order a simple customer request for a minor modification would require substantial changes to the customer's agreements with AT&T.

The following example illustrates the types of change required in order to implement the customer request to extend an installation waiver to one more service component.

The example below demonstrates the type of change to only one of the many subsection of the existing tariff that will be changed.

Customer requested that existing waiver provision be modified to include associated Function Connections, a simple one page revision would be prepared as follows:

4. AT&T SDN Services, AT&T 800 Services, AT&T Private Line Services, AT&T InterSpan Frame Relay Service and AT&T Local Channel Services

(a) AT&T will waive the nonrecurring Installation Charges for the installation of new: (1) MSVPP-eligible service components for ASDS and ACCUNET T1.5 Services and Function Connections as specified in AT&T Tariff F.C.C. No. 9, as amended from time to time including ACCUNET T1.5 IOCs and Access Connections associated with the AT&T SDN and AT&T 800 Services provided under this Contract Tariff and associated MSVPP-eligible AT&T Local Channel service components (excluding AT&T Terrestrial 1.544 Mbps Local Channels subscribed to under an AVP or an AVA) specified in AT&T Tariff F.C.C. No. 11, as amended from time to time including AT&T Terrestrial 1.544 Mbps Local Channels and Access Coordination Functions associated with the AT&T SDN and AT&T 800 Services provided under this Contract Tariff, provided such new service components: (1) are ordered and installed on or after the TSD, (2) are associated directly with the AT&T SDN Services, AT&T 800 Services, AT&T Private Line Services and AT&T InterSpan Frame Relay Service provided under this Contract Tariff, (3) have not previously been provided by AT&T, that is, service components provided by another Interexchange carrier or new growth and (4) remain in service for at least 18 months. If a service component is disconnected for any reason prior to the 18 months, the waived nonrecurring charges will be billed at the time of disconnect. However, the obligation to retain service for the minimum period of 18 months expires at the end of the Contract Tariff Term.

Same Customer request would require multiple documents be created i.e., both a Tariff and Contract, the contract provisions would be as follows:

4. AT&T SDN Services, AT&T 800 Services, AT&T Private Line Services, AT&T InterSpan Frame Relay Service and AT&T Local Channel Services

(a) AT&T will waive the nonrecurring Installation Charges for the installation of new: (1) MSVPP-eligible domestic service components for ASDS, ACCUNET T1.5, ACCUNET T32, ACCUNET T45 and ACCUNET Fractional T45 Services and Function Connections as specified in AT&T Tariff F.C.C. No. 9, as amended from time to time; (2) ACCUNET T1.5 Service Access Connections associated with the AT&T SDN and AT&T 800 Services provided under this COA; (3) associated MSVPP-eligible AT&T Local Channel service components specified in AT&T Tariff F.C.C. No. 11, as amended from time to time (excluding AT&T Terrestrial 1.544 Mbps Local Channels subscribed to under an AVP or an AVA in AT&T Tariff F.C.C. No. 11); and (4) AT&T Terrestrial 1.544 Mbps Local Channels and Access Coordination Functions as specified in Section 5.C., preceding; provided such new service components: (a) are installed on or after the CISD, (b) are associated directly with the AT&T SDN Services, AT&T 800 Services, AT&T Private Line Services and AT&T InterSpan Frame Relay Service provided under this COA, (c) have not previously been provided by AT&T, that is, service components provided by another Interexchange Carrier or new growth and (d) remain in service for at least 18 months. If a service component is disconnected for any reason prior to the 18 months, the waived nonrecurring charges will be billed at the time of disconnect. However, the obligation to retain service for the minimum period of 18 months expires at the end of the COA Term. The waiver of nonrecurring Installation Charges excludes: Bandwidth Manager Service (BMS\BMS-E), Access Protection Capability (APC) and Network Protection Capability (NPC).

**The following revision would be
filed in the International filed
tariff**

4. AT&T SDN Services, AT&T 800 Services, AT&T Private Line Services, AT&T InterSpan Frame Relay Service and AT&T Local Channel Services

A. AT&T SDN Services/AT&T 800 Services/ AT&T Private Line Services, and AT&T Local Channel Services - None.

B. AT&T InterSpan Frame Relay Service

(a) AT&T will waive the nonrecurring Installation Charges for the installation of new FRVPP-eligible service components as specified in AT&T Tariff F.C.C. No. 4, as amended from time to time for **International AT&T InterSpan Frame Relay Services**, provided such new FRVPP-Eligible FRS components are: (1) are installed on or after the CISD; (2) have not been disconnected and reconnected after the CISD; (3) have not previously been provided by AT&T, that is, service components provided by another Interexchange Carrier or new growth to AT&T; (4) are associated directly with the FRS provided under this COA; and (5) remain in service for at least 12 months. If a service component has not been in service for the minimum period of 12 months prior to the expiration of the COA Term, the Customer may: (a) elect to be billed the waived recurring charges, or (b) elect to continue the services in another AT&T COA, or (c) include the services in either a new or existing term plan for AT&T Tariff F.C.C. No. 4, services. If the Customer elects to continue the services, the obligation for the services to remain in-service for the minimum period of 12 months no longer applies.

*The final mixed service agreement
customer actually sees is reflected
on the attached pages.*

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AT&T COMMUNICATIONS

CUSTOM OFFER AGREEMENT NO. 5129

Page 1

Effective: January 23, 1996

**AT&T Custom Offer Agreement NO. 5129 associated with
AT&T Contract Tariff No. 5129 ("Associated AT&T Contract Tariff")**

GENERAL PROVISIONS

Detariffing - If during the term of this Custom Offer Agreement (COA), the AT&T Tariffs (including the Associated AT&T Contract Tariff) referenced herein ("Applicable AT&T Tariffs") are detariffed in whole or in part pursuant to a statutory change, order or requirement of a governmental or judicial authority of competent jurisdiction, then following such detariffing:

(i) the terms and conditions for the Services Provided will remain the same as those in this COA, except that the relevant terms and conditions contained in the Applicable AT&T Tariffs will remain the same as those in effect as of the date AT&T detariffs in whole or in part those Applicable AT&T Tariff provisions, and will be incorporated as part of this COA, and

(ii) the rates for the Services Provided will be:

(a) to the extent Applicable AT&T Tariff provisions remain filed and effective, those rates specified in such Applicable AT&T Tariff provisions, as amended from time to time; and

(b) to the extent that this COA contains specific rates or rate schedules that would apply in lieu of (or in addition to) the rates or rate schedules in Applicable AT&T Tariffs, such specific COA rates and rate schedules; and

(c) to the extent Applicable AT&T Tariff provisions are detariffed, and (b) preceding does not apply, those rates specified in the applicable AT&T Price Lists, as amended from time to time.

In all cases (a, b or c), the applicable rates shall continue to be subject to any discounts, waivers, credits, and restrictions on rate changes that may be contained in this COA. Where rates and rate changes (both increases and decreases) would have been calculated by reference to a tariff rate that has been detariffed, rates and rate changes shall instead be calculated during the term of this COA by reference to applicable AT&T Price Lists and (to the extent changes to tariff rates were permitted under this COA) AT&T shall have the right to change its Price Lists from time to time.

All references to the AT&T Tariffs in this COA shall be construed to mean the AT&T Tariffs specified herein, as well as the documents which will replace those tariffs, including the AT&T Price Lists, when AT&T cancels those tariffs.

Header Information - The heading material within the box at the top of each page of this Agreement is for AT&T internal use only and is not intended to affect the meaning or interpretation of this Agreement.

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Effective: January 23, 1996

AT&T Custom Offer Agreement NO. 5129

Availability - This COA is available only to Customers who: (1) concurrently order the Associated AT&T Contract Tariff, which is the only AT&T Contract Tariff that can be used in conjunction with this COA; (2) will order this COA and the Associated AT&T Contract Tariff only once, either by the Customer or any Affiliate of the Customer, which is any entity that owns a controlling interest in either the Customer or an Affiliate of the Customer, or any entity in which a controlling interest is owned by either the Customer or an Affiliate of the Customer; and (3) order service within 30 days after the effective date of the Associated AT&T Contract Tariff for initial installation of the Services Provided under this COA within 30 days after the date ordered.

EXPLANATION OF ABBREVIATION

CISD	- Customer's Initial Service Date
COA	- Custom Offer Agreement
CSD	- Customer Selected Date
GMUC	- Gross Monthly Usage Charges
GSDN	- Global Software Defined Network
IMARC	- International Minimum Annual Revenue Commitment
MARC	- Minimum Annual Revenue Commitment
Mbps	- Megabits per second
OneNet	- Software Defined Network Integrated Outbound and Inbound Optional Discount Plan
SDN	- Software Defined Network

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CUSTOM OFFER AGREEMENT NO. 5129

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Effective: January 23, 1996

SERVICES, RATES AND OTHER TERMS

1. Services Provided - AT&T will provide the following Domestic Services to the Customer under this COA and pursuant to the Applicable AT&T Tariffs which are specified below and incorporated herein by reference. These services will be provided in conjunction with the Services Provided under the Associated AT&T Contract Tariff.

A. AT&T Software Defined Network (SDN) Services (AT&T Tariff F.C.C. No. 1) consisting of:

1. Custom SDN-Domestic

B. AT&T 800 Services (AT&T Tariff F.C.C. Nos. 2 and 14) consisting of:

1. AT&T MEGACOM 800 Service-Domestic
2. AT&T 800 READYLINE Service-Domestic
3. AT&T 800 READYLINE Service-Puerto Rico and the U.S. Virgin Islands

C. AT&T ACCUNET T1.5 Service Access Connections (AT&T Tariff F.C.C. No. 9)

D. AT&T Terrestrial 1.544 Mbps Local Channel Services (AT&T Tariff F.C.C. NO. 11)

2. COA Term; Renewal Options - The term of this COA is 3 years beginning with a Customer's Selected Date (CSD) which shall be no more than four months following the Customer's Initial Service Date (CISD). The CISD is the first day of the Customer's first full billing month under this COA. This COA may be renewed in its entirety for an additional 1 year period at the rates, terms and conditions then in effect under this COA, provided the Associated AT&T Contract Tariff is also concurrently renewed for the same time period. To exercise the renewal option, the Customer must provide written notice to AT&T of its intent to renew, at least 30 days prior to the expiration of this COA Term. Upon the expiration of the term of this COA, the Customer will be provided service on a month-to-month basis, under the then prevailing rates, terms and conditions specified in the Applicable AT&T Tariffs referenced in Section 1., above.

3. Minimum Commitments/Charges - The AT&T SDN Service and AT&T 800 Services combined Minimum Annual Revenue Commitment (MARC) under this COA will be satisfied by the Customer's total domestic Gross Monthly Usage Charges (GMUC) under this COA and international GMUC under the Associated AT&T Contract Tariff. The Customer's domestic GMUC is as specified for the SDN Integrated Outbound and Inbound Optional Discount Plan (OneNet) in AT&T Tariff F.C.C. No. 1, as amended from time to time. The Customer's international GMUC is as specified in Associated AT&T Contract Tariff.

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3. Minimum Commitments/Charges - Contd

A. AT&T SDN Services/AT&T 800 Services - The MARC is \$1,200,000 for year one. For years 2 through 3, the MARC is the greater of : (i) \$1,200,000 or (ii) 90% of the previous year's total of the actual domestic and international GMUCs. If, on any anniversary of the CSD the Customer has failed to satisfy the MARC, the Customer will be billed a shortfall charge in an amount equal to the difference between the MARC and the total of the actual domestic and international GMUCs for that year.

4. Contract Price - AT&T reserves the right to increase from time to time the rates for the Services Provided under this COA, regardless of any provisions in this COA, including those specified in Section 7., following, that would otherwise stabilize rates or limit rate increases, as a result of charges imposed on AT&T stemming from an order, rule or regulation of the Federal Communications Commission or a court having competent jurisdiction relating to compensation of payphone service providers. AT&T will make rate adjustments under this provision as necessary.

A. AT&T SDN Services

1. The Contract Price for the AT&T SDN Services provided under this COA is the same as the undiscounted Recurring and Nonrecurring Rates and Charges specified in AT&T Tariff F.C.C. 1, as amended from time to time, except for those Usage Rates specified in Section 7., following.

B. AT&T 800 Services

1. The Contract Price for the AT&T 800 Services provided under this COA is the same as the undiscounted Recurring and Nonrecurring Rates and Charges specified in AT&T Tariff F.C.C. Nos. 2 and 14, as amended from time to time, except for those Usage Rates specified in Section 7., following.

C. AT&T ACCUNET T1.5 Service Access Connections

1. The Contract Price for the AT&T ACCUNET T1.5 Service Access Connections provided under this COA is the same as the undiscounted Recurring and Nonrecurring Rates and Charges specified in AT&T Tariff F.C.C. No. 9, as amended from time to time.

D. AT&T Terrestrial 1.544 Mbps Local Channel Services

1. The Contract Price for the AT&T Terrestrial 1.544 Mbps Local Channel Services provided under this COA is the same as the undiscounted Recurring and Nonrecurring Rates and Charges specified in AT&T Tariff F.C.C. No. 11, as amended from time to time.

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5. Discounts - The following discounts are the only discounts for the Services Provided under this COA, except that the Customer is eligible for the AT&T 800 Services Routing Features Term Plan Feature Package as specified in AT&T Tariff F.C.C. No. 2, as amended from time to time. No other discounts apply. Unless modified below, the Base Discounts listed in this section are the same discounts as specified in the AT&T Tariffs referenced in Section 1., preceding, as amended from time to time.

A. AT&T SDN Services/AT&T 800 Services

1. Base Discounts - The Customer will receive the following discounts, each month, in lieu of those specified for the OneNet Optional Discount Plan in AT&T Tariff F.C.C. No. 1. These discounts will be applied in the same manner as the OneNet Optional Discount Plan as specified in AT&T Tariff F.C.C. No. 1, as amended from time to time. The Gross Monthly Usage Charges referenced below are the total of the domestic and international GMUCs under this COA and the Associated AT&T Contract Tariff.

		Discount applied to
Domestic	For Gross Monthly	SDN and Domestic AT&T 800 Services Usage
	<u>Usage Charges of:</u>	
	Between \$0 up to \$100,000	35.0%
	over \$100,000 up to \$1/8 of MARC	38.0%
	over \$1/8 of MARC	0.0%

2. Additional Discounts - None.

6. Classifications, Practices and Regulations

A. All references in the Applicable AT&T Tariffs to "tariffs", "tariffed services", or other variations thereof, shall mean this COA and the services and charges provided under this COA.

AT&T COMMUNICATIONS

CUSTOM OFFER AGREEMENT NO. 5129

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6. Classifications, Practices and Regulations (continued)

B. Monitoring Conditions - The Customer must satisfy the following Service Requirements which will be monitored on each anniversary of the CSD. The Monitoring Period is the 12 months immediately preceding each anniversary of the CSD.

1. AT&T SDN Services/AT&T 800 Services

(a) The Customer must not exceed 150 Customer Premises which generate/terminate calling from the Services Provided under this COA and the Associated AT&T Contract Tariff using switched access.

(b) At least 25% of the Customer's total annual minutes of use for the Services Provided under this COA and the Associated AT&T Contract Tariff must be interstate and/or international.

If the Customer, during the Monitoring Period, has failed to satisfy any of these Service Requirements, the Customer will be billed an amount equal to 10% of the MARC. Any such bill must be paid by the Customer within 30 days.

C. Promotions, Credits and Waivers

The following credits and waivers will be applied to the Customer's bill. If at the end of the COA Term the Customer has not fully used any or all of the waiver(s) specified in this Section, the residual value of any such waiver(s) will be set to zero and will not be applied to any other AT&T services.

1. AT&T SDN Services/AT&T 800 Services

(a) AT&T will waive the Service Establishment Charge, not to exceed a total of \$10,000 over the COA Term, for the AT&T SDN Services provided under this COA.

(b) AT&T will waive the nonrecurring Installation Charges for the installation of no more than 30 new AT&T Terrestrial 1.544 Mbps Local Channels, associated ACCUNET T1.5 Access Connections and Access Coordination Functions used with the AT&T SDN and/or AT&T MEGACOM 800 Services provided under this COA, provided such Local Channels are installed within the first 24 months following the CSD, are not connected to an Office Function (except for AT&T Primary Rate Interface (PRI) Office Functions) and remain in service for a minimum period of 12 months. If any of these Local Channels are connected to an Office Function or discontinued prior to the end of the 12 month period, AT&T will bill the Customer for the amount of the Installation Charges that had been waived under this section for each Local Channel connected to an Office Function or disconnected.

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6. Classifications, Practices and Regulations (continued)

D. Discontinuance - In lieu of any Discontinuance With or Without Liability provisions that are specified in the AT&T Tariffs referenced in Section 1., preceding, the following provisions shall apply.

If this COA is discontinued, the Associated AT&T Contract Tariff will be automatically and simultaneously discontinued.

If the Customer discontinues this COA for any reason prior to the CSD, the Customer will be billed an amount equal to 35% of the MARC for each year of the COA Term plus an amount equal to any nonrecurring installation charge waivers, as specified in Section 6.C., preceding, the Customer has received.

The Customer may discontinue this COA prior to the end of the COA Term, provided the Customer replaces the services provided under this COA and the Associated AT&T Contract Tariff with services provided under a new agreement(s) for AT&T Services defined in AT&T Tariff Nos. 1, 2 and 14 having: (i) an equal or greater new annual revenue commitment and (ii) a new term equal to or greater than the remaining term, but not less than 3 years. However, the Customer will be billed a Prorated Shortfall Charge equal to the difference between (1) the MARC for the year in which the Customer discontinues, divided by 12, times the number of months the Customer was in this COA that year and (2) the total of the domestic and international GMUCs incurred for that year, provided the amount in (2) is less than the amount in (1).

If the Customer discontinues this COA for any reason other than specified above, prior to the expiration of the COA Term, a Termination Charge will apply. The Termination Charge will be an amount equal to 35% of the unsatisfied MARC for the year in which the Customer discontinues this COA and 35% of the MARC for each year remaining in the COA Term.

E. Other Requirements - Not Applicable.

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7. Rates**A. SDN Rate Schedule A and A-PV**

	<u>Initial 18 Seconds</u>			<u>Each Additional 6 Seconds</u>		
	<u>Day</u>	<u>Evening</u>	<u>Night</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
All Mileage & Bands	\$.0591	\$.0591	\$.0591	\$.0197	\$.0197	\$.0197

B. SDN Rate Schedule B(a) and B-PV(a)

	<u>Initial 18 Seconds</u>			<u>Each Additional 6 Seconds</u>		
	<u>Day</u>	<u>Evening</u>	<u>Night</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
All Mileage & Bands	\$.0390	\$.0390	\$.0390	\$.0130	\$.0130	\$.0130

C. SDN Rate Schedule C(a) and C-PV

	<u>Initial 18 Seconds</u>			<u>Each Additional 6 Seconds</u>		
	<u>Day</u>	<u>Evening</u>	<u>Night</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
All Mileage & Bands	\$.0270	\$.0270	\$.0270	\$.0090	\$.0090	\$.0090

D. SDN Rate Schedule E

	<u>Initial 18 Seconds</u>			<u>Each Additional 6 Seconds</u>		
	<u>Day</u>	<u>Evening</u>	<u>Night</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
All Mileage & Bands	\$.0375	\$.0375	\$.0375	\$.0125	\$.0125	\$.0125

E. SDN Rate Schedule H1

	<u>Initial 18 Seconds</u>			<u>Each Additional 6 Seconds</u>		
	<u>Day</u>	<u>Evening</u>	<u>Night</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
All Mileage & Bands	\$.0555	\$.0555	\$.0555	\$.0185	\$.0185	\$.0185

F. SDN Rate Schedule H2

	<u>Initial 18 Seconds</u>			<u>Each Additional 6 Seconds</u>		
	<u>Day</u>	<u>Evening</u>	<u>Night</u>	<u>Day</u>	<u>Evening</u>	<u>Night</u>
All Mileage & Bands	\$.0735	\$.0735	\$.0735	\$.0245	\$.0245	\$.0245

The rates in the SDN Rate Schedules above for all mileage bands and rate periods will be increased or decreased by the same percentage as any increase or decrease for such Rates Schedules in AT&T Tariff F.C.C. No. 1 for the Day Rate Period under Mileage Band 431-925, not to exceed, however, an increase of more than 4% in any one year. AT&T will make rate adjustments under this provision as necessary, and any increase(s) pursuant to Section 4., will not be included in the specified rate cap limitation.

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7. Rates (continued)**H. AT&T MEGACOM 800 Service-Domestic**

<u>Service Area</u>	<u>Per Hour of Use</u>		
	<u>Business Day</u>	<u>Evening</u>	<u>Night/Weekend</u>
1	\$7.80	\$7.80	\$7.80
2-6	\$7.80	\$7.80	\$7.80

If AT&T increases or decreases the AT&T MEGACOM 800 Service-Domestic Usage Rates in AT&T Tariff F.C.C. No. 2 for the Business Day Period under Service Areas 2-6, the Usage Rates for all Service Areas and Periods listed above, will increase or decrease by the same percentage as the rate in AT&T Tariff F.C.C. No. 2, not to exceed, however, an increase of more than 4% in any one year. AT&T will make rate adjustments under this provision as necessary, and any increase(s) pursuant to Section 4., will not be included in the specified rate cap limitation.

I. AT&T 800 READYLINE Service-Domestic

<u>Service Area</u>	<u>Per Hour of Use</u>		
	<u>Business Day</u>	<u>Evening</u>	<u>Night/Weekend</u>
1	\$11.82	\$11.82	\$11.82
2-6	\$11.82	\$11.82	\$11.82

If AT&T increases or decrease the AT&T 800 READYLINE Service-Domestic Usage Rates in AT&T Tariff F.C.C. No. 2 for the Business Day Period under Service Areas 2-6, the Usage Rates for all Service Areas and Periods listed above, will increase or decrease by the same percentage as the rate in AT&T Tariff F.C.C. No. 2, not to exceed, however, an increase of more than 4% in any one year. AT&T will make rate adjustments under this provision as necessary, and any increase(s) pursuant to Section 4., will not be included in the specified rate cap limitation.

AT&T COMMUNICATIONS

Adm. Rates and Tariffs
Bridgewater, NJ 08807
Issued: January 22, 1997

CONTRACT TARIFF NO. 5129

1st Revised Title Page
Cancels Original Title Page
Effective: January 23, 1997

CONTRACT TARIFF NO. 5129**TITLE PAGE**

This Contract Tariff applies to AT&T Software Defined Network Services consisting of: AT&T Custom Software Defined Network International Service and Global Software Defined Network Service; AT&T 800 Services consisting of: AT&T MEGACOM 800 Service-Canada, AT&T MEGACOM 800 Service-Mexico, AT&T MEGACOM 800 Service-Overseas, AT&T 800 READYLINE Service-Canada, AT&T 800 READYLINE Service-Mexico and AT&T 800 READYLINE Service-Overseas for interstate or foreign communications in accordance with the Communications Act of 1934, as amended.

Telecommunication services provided under this Contract Tariff are furnished by means of wire, radio, satellite, fiber optics or any suitable technology or combination of technologies.

AT&T COMMUNICATIONS

Adm. Rates and Tariffs

Bridgewater, NJ 08807

Issued: January 22, 1997

CONTRACT TARIFF NO. 5129

1st Revised Page 1

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CONTRACT TARIFF NO. 5129**CHECK SHEET**

The Title Page and Pages 1 through 16 inclusive of this tariff are effective as of the date shown. Original and revised pages named below contain all changes from the original tariff that are in effect on the date shown.

<u>Page</u>	<u>Number of Revisions</u> <u>Except as indicated</u>	<u>Page</u>	<u>Number of Revisions</u> <u>Except as indicated</u>
1	1st*	2	1st*
3	1st*	4	1st*
5	1st*	6	1st*
7	1st*	8	1st*
9	1st*	10	1st*
11	1st*	12	1st*
13	1st*	14	1st*
15	1st*	16	1st*

* New or Revised Page

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LIST OF CONCURRING, CONNECTING AND OTHER PARTICIPATING CARRIERS

Concurring Carriers - NONE

Connecting Carriers - NONE

Other Participating Carriers - NONE

EXPLANATION OF SYMBOLS - Coding of Tariff Revisions

Revisions to this tariff are coded through the use of symbols. These symbols appear in the right margin of the page. The symbols and their meanings are:

- R - to signify reduction.
- I - to signify increase.
- C - to signify changed regulation.
- T - to signify a change in text but no change in rate or regulation.
- S - to signify reissued matter.
- M - to signify matter relocated without change.
- N - to signify new rate or regulation.
- D - to signify discontinued rate or regulation.
- Z - to signify a correction.

Other marginal codes are used to direct the tariff reader to a footnote for specific information. Codes used for this purpose are lower case letters of the alphabet, e.g., x, y and z.

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TRADEMARKS AND SERVICE MARKS - The following marks, to the extent, if any, used throughout this tariff, are trademarks and service marks of AT&T Corp.

Trademarks

None

Service Marks

MEGACOM
OneNet
READYLINE

EXPLANATION OF ABBREVIATIONS

Adm. - Administrator

Detariffing - If during the term of this Contract Tariff, the AT&T Tariffs referenced herein ("Applicable AT&T Tariffs") are detariffed in whole or in part pursuant to a statutory change, order or requirement of a governmental or judicial authority of competent jurisdiction, then following such detariffing:

(i) the terms and conditions for the Services Provided will remain the same as those in this Contract Tariff, except that the relevant terms and conditions contained in the Applicable AT&T Tariffs will remain the same as those in effect as of the date AT&T detariffs in whole or in part those Applicable AT&T Tariff provisions, and will be incorporated as part of this Contract Tariff, and

(ii) the rates for the Services Provided will be:

(a) to the extent Applicable AT&T Tariff provisions remain filed and effective, those rates specified in such Applicable AT&T Tariff provisions, as amended from time to time; and

(b) to the extent that this Contract Tariff contains specific rates or rate schedules that would apply in lieu of (or in addition to) the rates or rate schedules in Applicable AT&T Tariffs, such specific Contract Tariff rates and rate schedules; and

(c) to the extent Applicable AT&T Tariff provisions are detariffed, and (b) preceding does not apply, those rates specified in the applicable AT&T Price Lists, as amended from time to time.

In all cases (a, b or c), the applicable rates shall continue to be subject to any discounts, waivers, credits, and restrictions on rate changes that may be contained in this Contract Tariff. Where rates and rate changes (both increases and decreases) would have been calculated by reference to a tariff rate that has been detariffed, rates and rate changes shall instead be calculated during the term of this Contract Tariff by reference to applicable AT&T Price Lists and (to the extent changes to tariff rates were permitted under this Contract Tariff) AT&T shall have the right to change its Price Lists from time to time.

All references to the Applicable AT&T Tariffs in this Contract Tariff shall be construed to mean the AT&T Tariffs specified herein as well as documents which will replace those tariffs, including the AT&T Price Lists, when AT&T cancels those tariffs.

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1. Services Provided - The following services will be provided in conjunction with the Services Provided under the Associated AT&T COA No. 5129 ("Associated AT&T COA"), which must be ordered concurrently with this Contract Tariff.

A. AT&T Software Defined Network (SDN) Services (AT&T Tariff F.C.C. No. 1) consisting of:

1. Custom SDN-International
2. Global Software Defined Network (GSDN) Service

B. AT&T 800 Services (AT&T Tariff F.C.C. No. 2) consisting of:

1. AT&T MEGACOM 800 Service-Canada
2. AT&T MEGACOM 800 Service-Mexico
3. AT&T MEGACOM 800 Service-Overseas
4. AT&T 800 READYLINE Service-Canada
5. AT&T 800 READYLINE Service-Mexico
6. AT&T 800 READYLINE Service-Overseas

2. Contract Term; Renewal Options - The term of this Contract Tariff is 3 years beginning with a Customer's Selected Date (CSD) which shall be no more than four months following the Customer's Initial Service Date (CISD). The CISD is the first day of the Customer's first full billing month under this Contract Tariff. This Contract Tariff may be renewed in its entirety for an additional 1 year period at the rates, terms and conditions then in effect under this Contract Tariff, provided that the Associated AT&T COA is also concurrently renewed for the same time period. To exercise the renewal option, the Customer must provide notice to AT&T of its intent to renew at least 30 days prior to the expiration of this Contract Tariff.

3. Minimum Commitments/Charges - None.

4. Contract Price - AT&T reserves the right to increase from time to time the rates for the Services Provided under this Contract Tariff, regardless of any provisions in this Contract Tariff, including those specified in Section 7., following, that would otherwise stabilize rates or limit rate increases, as a result of charges imposed on AT&T stemming from an order, rule or regulation of the Federal Communications Commission or a court having competent jurisdiction relating to compensation of payphone service providers. If necessary, revisions will be filed in this Contract Tariff to reflect the actual rates.

A. AT&T SDN Services

1. The Contract Price for the AT&T SDN Services provided under this Contract Tariff is the same as the undiscounted Recurring and Nonrecurring Rates and Charges specified in AT&T Tariff F.C.C. No. 1, as amended from time to time, except for those Usage Rates specified in Section 7., following.

Certain material previously found on this page can now be found in the Associated AT&T COA.

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4. Contract Price (continued)**B. AT&T 800 Services**

1. The Contract Price for the AT&T 800 Services provided under this Contract Tariff is the same as the undiscounted Recurring and Nonrecurring Rates and Charges specified in AT&T Tariff F.C.C. No. 2, as amended from time to time, except for those Usage Rates specified in Section 7., following.

5. **Discounts** - The following discounts are the only discounts for the Services Provided under this Contract Tariff, except that the Customer is eligible for the AT&T 800 Services Routing Features Term Plan Feature Package as specified in AT&T Tariff F.C.C. No. 2, as amended from time to time. No other discounts apply. Unless modified below, the Base Discounts listed in this section are the same discounts as specified in AT&T Tariffs referenced in Section 1., preceding, as amended from time to time.

A. AT&T SDN Services/AT&T 800 Services**1. Base Discounts**

(a) The Customer will receive the following discounts, each month, in lieu of those specified for the OneNet Optional Discount Plan in AT&T Tariff F.C.C. No. 1. These discounts will be applied in the same manner as the OneNet Optional Discount Plan as specified in AT&T Tariff F.C.C. No. 1, as amended from time to time. The MARC under the Associated AT&T COA will be utilized to calculate the GMUC ranges specified below. The Gross Monthly Usage Charges are the total of the domestic and international GMUCs under this Contract Tariff and the Associated AT&T COA.

<u>Usage</u>	<u>For Gross Monthly Usage Charges of:</u>	<u>Discount applied to International SDN</u>
	Between \$0 up to \$100,000	19.0%
	over \$100,000 up to $\$1\frac{1}{8}$ of MARC	22.0%
	over $\$1\frac{1}{8}$ of MARC	0.0%
	<u>For Gross Monthly Usage Charges of:</u>	<u>Discount applied to International 800 Services Usage</u>
	Between \$0 up to \$100,000	35.0%
	over \$100,000 up to $\$1\frac{1}{8}$ of MARC	38.0%
	over $\$1\frac{1}{8}$ of MARC	0.0%

2. Additional Discounts - None

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6. Classifications, Practices and Regulations

A. Except as otherwise provided in this Contract Tariff, the rates and regulations that apply to the Services Provided specified in Section 1, preceding, are as set forth in the Applicable AT&T Tariffs that are referenced in Section 1., preceding, as such tariffs are amended from time to time.

B. Monitoring Conditions - None.